



Seedco Financial
Innovations in Community Lending



Financing the Future

06 > 07 Report



Seedco Financial Services, Inc. (Seedco Financial) is a national, nonprofit community development financial institution (CDFI) with \$190 million in assets under management. Working with local partners, Seedco Financial provides affordable financing and technical assistance to small businesses, nonprofit organizations, and anchor commercial projects in low-income and economically distressed communities. Its financing programs are designed to fill critical capital and capacity gaps within local markets. Seedco Financial is a subsidiary of Seedco, a national intermediary that creates opportunities for low-wage workers and their families in economically distressed areas.

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Report

from the **President**



Seedco Financial's capacity, products, and reach grew substantially in 2006 and 2007. We built on the momentum established last year in New York City, Tennessee, and Alabama by deepening our resources, product line, and technical assistance. We expanded into two locations, Louisiana and Denver, where we saw new opportunities to help distressed neighborhoods and industries rebuild, expand, and revitalize. We added staff and management structures to ensure that Seedco Financial can operate in multiple markets simultaneously and at a high quality; our four regional offices are now staffed and functioning. And we now encompass sectoral approaches as well as place-based ones, making it possible to respond more precisely and flexibly to circumstances in specific communities.



We are on track to deploy a record \$83 million or more this fiscal year. Building on existing resources, those new funds come from an increasingly long and varied list of contributors: \$17.65 million in new private lending; \$18.75 million received by the State of Louisiana for businesses recovering from Hurricane Katrina; over \$1 million from the Economic Development Corporation of New York City for small business lending; \$2 million from a coalition of banks, credit unions, and the City of Baton Rouge for a new small business loan fund targeted to women and minority entrepreneurs; \$3 million from the City of Denver \$0.75 million from the U.S. Small Business

Administration for micro lending in Alabama, and more than \$1.1 million in private and government grants. In addition, for the first time in several years our unrestricted net assets began to grow fueled by increasing returns on lending and fees for service.

Having a broad base of resources protects Seedco Financial from the vagaries of any one market or funding sector – a valuable security net for an intermediary that is in the business of high-risk lending at low margins. It also gives us access to a variety of financing tools, including loans, grants, New Markets Tax Credits, and Pension Fund

Resources 2006-2007 (through 9/30/07)

Private Bank and Foundation Program Related Investments	\$32,772,881
Federal, State, and Local Governments	\$26,028,690
United Methodist Pension Fund	\$50,000,000
New Markets Tax Credits	\$75,000,000
Operating Grants	\$3,366,906
Earned Income	\$3,475,766
Total	\$190,644,243

investments. These tools enable us to structure more complex, creative, and effective deals than most traditional community development lenders can provide.

For example, a new \$50 million agreement with the **United Methodist Pension Fund** gives us enough financing to help **shape projects** and influence how they improve neglected communities. We're more than gap lenders. Now we can, for instance, insist that commercial development deals include community covenants to meet environmental standards that improve energy conservation or give local residents jobs in the new businesses. When that happens, our projects don't just support community development in the abstract — they produce tangible improvements for individuals, families, and communities.

> Working on a larger scale

Increasingly, we are combining our resources to support large projects. For example, we are providing Boricua College with \$16.8 million in New Markets Tax Credits and \$4.6 million in permanent loans to build a \$44.6 million new campus in the South Bronx. Boricua is a minority-serving institution whose students are primarily working adults. We are also providing small business loans to existing and new small businesses surrounding the new campus.

Lending on a larger scale **gives us a chance to test, validate, and replicate** strategies for commercial and economic development in different environments. Through that process, we're able to differentiate idiosyncratic solutions from those with longer-term significance.

>Combining place-based and sector-based strategies

The bulk of this report focuses on our two newest sites, Denver and Louisiana, because they exemplify how we work **from initial development through implementation**. In both these and in our other sites, we have pursued and blended two strategies: a place-based approach and a sectoral one. Focusing on place gets us to a scale that allows us to really make a difference. It leads us to identify the geographic areas that have the most need for assistance as well as sufficient local interest, available resources, potential partnerships, program opportunities, and prospects for having a positive impact.

Targeting sectors, meanwhile, links our products and technical assistance into the broader economic web in which our neighborhoods operate. Although poverty and lack of opportunity may be geographically focused, their long-term solutions ultimately have to harness the citywide and regional forces that drive employment, incomes, wealth accumulation, commercial development, and economic opportunity. Improving a neighborhood's housing stock, for instance, makes it a safer and more nurturing place to live, but it doesn't necessarily increase the number or accessibility of jobs, help workers earn family-supporting wages and benefits, or stimulate business growth.

For example:

● **In Memphis**, building on a major New Markets Tax Credit investment, we financed three new commercial spaces that will house food, music, and entertainment venues, which will hire low-income neighborhood residents. And half of our Small Business Opportunity Loan Fund is **earmarked for retail and commercial businesses** in the downtown area. Another loan fund helps nonprofit organizations and CDCs in low-income Memphis neighborhoods to develop affordable housing, while a financing project in Chattanooga created affordable housing and retail space. Our Tennessee Human Services Loan Fund connects nonprofit organizations not only with working capital and funds for facilities development, but also technical assistance on how to expand and manage debt effectively.

● **In New York City**, we concentrate on five neighborhoods as part of a \$1 million small business lending grant from the **New York City Economic Development Corporation**. We expanded our programs in East Harlem and the South Bronx and identified three additional high-need neighborhoods. We also provided immediate **financial relief to small businesses that are affected by local disasters**, such as the recent steam pipe explosion in midtown Manhattan and last summer's energy blackout in Queens.

A new \$50 million agreement with the **United Methodist Pension Fund** gives us enough financing to help shape projects and influence how they improve neglected communities.

We have expanded the *ArtBusiness* initiative, because small and emerging arts organizations are a vital component of the New York economy. Since its inception, *ArtBusiness* has provided business consulting and technical assistance to more than 250 arts businesses and nonprofits and approved more than \$4 million in loans, at below-market interest rates.

We also continue to support the New York City Human Services Loan Fund — the first of its kind — which tailors its product to first-time borrowers. A third sectoral initiative in energy conservation will get underway later this year.

● **In Alabama**, where we have a long history of working with Historically Black Colleges and Universities, we are concentrating on the **minority small business development in the Black Belt** (Montgomery and Selma), Birmingham (Jefferson County), and Tuscaloosa. Recent approval from the **U.S Small Business Administration** to develop a micro-enterprise lending project will enable us to expand our work into the Huntsville

area in Northern Alabama.

We have also launched a highly successful effort to enhance the development of affordable housing through support to small developers for cash flow needs and green building strategies. Funding for this comes from the **Home Depot Foundation**, **Regions Bank**, and the **City of Birmingham**. We expect to expand this effort into central and eastern Tennessee in early 2008.

Commercial and small-business lending are usually more complicated and risky than financing affordable housing. They don't produce the same kind of collateral, and they don't carry high yield tax credits to help subsidize deals. But Seedco Financial has learned how to minimize those risks. We have a nimble, flexible mindset; multiple funding sources; and staff who have excellent judgment. They find grantees and loan recipients who truly believe in the American Dream, who want it so badly that they'll overcome any obstacle in their way — whether they own a deli in lower Manhattan or a fishing boat on the Gulf Coast.

Since its inception, *ArtBusiness* has provided business consulting and technical assistance to more than 250 arts businesses and nonprofits and approved more than \$4 million in loans, at below-market interest rates.

Programs By Site

	Alabama	Denver	Gulf Coast	New York City	Tennessee
Anchor Financing	●	●		●	●
ArtBusiness			●	●	●
Mixed Use Commercial Development		●		●	●
Fisheries/Agriculture			●		
Energy Conservation	●			●	
Housing	●	●		●	●
Human Services				●	●
Small Businesses	●	●	●	●	●
Restaurants			●		

>2006/2007

The work we did in 2006/2007 to attract and deploy resources, implement programs, and develop new products **has positioned us well for the coming year**. Seedco Financial is becoming recognized as a national leader in community economic development, and we believe that reputation is well-founded. By decentralizing resources and management responsibilities, we are demonstrating an ability to function effectively as a national intermediary.

At the same time, our experiences in each site inform the work in others. Thus the *ArtBusiness* program in New York City is being adapted to New Orleans, Memphis, and eventually to Denver. And in Baton Rouge we are building on our small business lending experience in New York, Alabama, and the Gulf Coast.

>Looking Ahead

During the next year and a half, we will continue to grow and increase our base of assets available for financing. Our target is to increase financing capacity to \$.25 billion. We are pursuing new work in the area of energy conservation, both by expanding our green-building program for affordable houses from Alabama into Tennessee and by creating a national strategy for commercial and industrial energy conservation. We expect to **establish Seedco Financial offices in one or two additional sites**. And we want to continue making good deals. While we grow, however, we recognize the need for organizational infrastructure, staffing, management, and performance tracking capacity to keep pace. So if 2006/2007 was about working deeper, broader, and with more sophisticated strategies, the year ahead will be about continuing to reach high — without over-reaching.

Seedco Financial-Louisiana

**From Disaster Recovery
to Long-Term Economic Success**



The experience of helping small businesses recover from the 2001 terrorist attack on New York City taught us skills that apply in any disaster setting. So when Hurricane Katrina ripped through the Gulf Coast in 2005, we turned **our attention southward**. Within a week Seedco Financial had private support to assess the situation in Louisiana, Mississippi, Alabama, and Texas.

We found plenty of opportunities to help, especially in three New Orleans' neighborhoods where minority- and woman-owned small businesses had thrived before Katrina. But the city's infrastructure was in disarray and it was impossible to start community-based economic development right away. Commercial buildings were destroyed. Roadways were filled with debris. Customers had fled the city. Local governance was overwhelmed. Although money was flowing for first-response emergency aid, funds for economic development were not yet available. Uncertain of the future, business owners hesitated to take on new debt.

But, under the leadership of Seedco Financial's Senior Vice President, Robin Barnes, who relocated to New Orleans, we quietly built relationships with government officials, universities, the Louisiana Small Business Development Centers, other technical assistance providers, and the city's local and nonprofit groups. We looked for business sectors that were ready and eager for our services and identified three, each of which plays a critical role for an economic rebound: restaurants, commercial fisheries, and arts and cultural institutions.

By January 2007, when Federal disaster recovery funds for small businesses were finally released, Seedco Financial was poised to be a major player in Louisiana's strategy for small business assistance. Using \$15.5 million in grant funds and \$4.75 million in loan funds, our New Orleans staff are now

As of August 2007, Seedco Financial has made 119 grants totaling \$2.2 million to restaurants or food services in Louisiana.

We have 26 loans completed or in the pipeline for restaurants/food services, worth \$3.3 million.

helping small businesses reopen and prosper primarily in four parishes: Orleans, Plaquemines, St. Bernard, and Jefferson.

Our **Restaurant Recovery Initiative** recognizes the huge economic and cultural value of restaurants in Louisiana. Before the storms, the restaurant industry was the second-largest employer in the state. Most of the restaurants we assist were in the badly flooded neighborhoods outside the uptown area and French Quarter. Many are minority-owned and have never worked with traditional financial institutions before.

Loretta Harrison



For example, a \$200,000 loan and a \$20,000 grant to Loretta Harrison, owner of Loretta's Authentic Pralines, will provide operating capital to her retail store and restaurant on Frenchman Street, as well as help her rebuild her French Market location that was closed after the storm. A \$20,000 grant and business

planning assistance is helping Leah Chase, owner and chef of Dooky Chase's landmark New Orleans restaurant, purchase inventory and market well-known specialties outside the restaurant. A new product line would help offset Chase's losses due to its smaller customer base.

Commercial fishing also is vital to Louisiana's economy. Before Katrina, it was a \$2.6 billion-a-year industry that provided 30,000 jobs along with significant portions of all shrimp, crabs, and oysters caught in the United States. But it was an industry on a downward slide as pond-raised imports from Asia and South America, rising fuel costs, and over-harvesting undercut the market.

Many commercial fishing business owners are Vietnamese immigrants, while others are of Cambodian, Laotian, Native American, African American, Slavic/Croatian, or Irish American descent. At first, our grants and loans enabled the fisheries to repair or repurchase equipment. Now that the businesses and the market have stabilized, we're helping the local industry grow. We identify new markets for fresh seafood and support organizations that promote affordable alternatives to diesel fuel.

As of August 2007, Seedco Financial has made 489 grants worth \$8.3 million to fisheries in Louisiana.

We have 21 loans completed or in the pipeline for fisheries, worth almost \$2.2 million.

For instance, we provided \$200,000 in working capital to a fisherman who converted his boat into a floating processor, using an innovative enzymatic process to treat and flash-freeze fresh fish; he now has distribution deals with Williams-Sonoma catalog and Whole Foods stores, and if his venture succeeds we'll market the concept to other fishermen. And, we're planning a one-stop Fisheries Assistance Center in Plaquemines

Parish, where fishermen can access financing, technical assistance, and a variety of services delivered by co-located organizations.

ArtBusiness: New Orleans helps performing arts centers, museums, and arts-related businesses secure and repay loans, earn revenue, and raise funds. The Contemporary Arts Center, a local arts exhibition space and arts sector leader, is seeking financing from Seedco Financial to launch a revenue generating venture designed to provide fee-based accounting services to small arts organizations and businesses that have little capacity to undertake accounting functions.

As of August 2007, Seedco Financial has made 64 grants worth almost \$1.2 million to arts and cultural organizations in Louisiana.

We have 13 loans completed or in the pipeline for arts and cultural organizations, worth \$1.5 million.

A common thread through all of these programs is technical assistance. Through our staff and partnerships with other providers, we offer individual counseling and workshops for loan seekers, and the New Orleans Business Resource Guide, which is a searchable online database of assistance for businesses that are storm victims.

What makes Seedco Financial such a good vehicle for disaster recovery and economic development in Louisiana?

> 1

We have solid, long-standing relationships to build upon. More than a decade ago, we worked with Southern University of Baton Rouge, Xavier University of Louisiana, and several community organizations in Louisiana. Those rekindled alliances have generated technical assistance, outreach, local office space, alliances with local

Seedco Financial is “a model for what can be achieved when you roll up your sleeves and face challenges head-on. Others would have given up, but they stay the course, work through the problem, and find solutions by connecting the right people with the right resources.”

*Dr. Norman Francis
Xavier University President and
Chair of the Louisiana Recovery Authority*

business development centers, and even volunteer staff for our New Orleans office.

>2

We have a forward-thinking mindset. A lot of small businesses can't secure loans from conventional sources because their credit history is poor. Seedco Financial knows that weak credit histories don't automatically reflect the applicant's ability to run a profitable business. We help applicants create a financial statement that accounts for all revenue, and we research their potential to earn revenue. After we approve a loan, we work with the recipient to assure solid financial management practices.

>3

We act quickly but don't sacrifice the hands-on, personal touch. Seedco Financial operates

new programs even while constructing them. That agility is essential in disaster situations, but so is our staff's personal involvement. “We often attend borrowers' community events, fundraisers, and family functions,” says Senior Financial Services Officer Jeremy Stone. “This knowledge enables us to weigh the risks and make solid decisions.”

>4

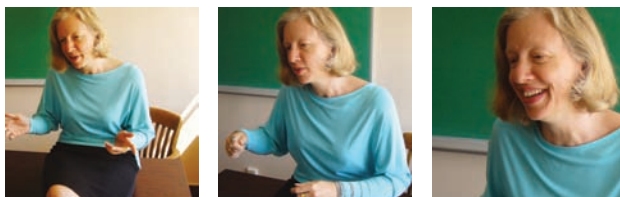
Our staff members are deeply committed. We spend time with businesses during evenings and on weekends as well as during normal business hours. During a six-week period in 2007, we processed 1,200 grant applications and qualified nearly 900 small businesses for more than \$15 million in state business recovery loans. In fact, although Seedco Financial was one of seven organizations that reviewed applications, our five-member staff selected 25% of all businesses that qualified in the participating parishes.

>5

We follow up. Myla Reese, who coordinates technical assistance for Seedco Financial's New Orleans office, says she joined Seedco Financial because “it's not just about providing money. Our involvement doesn't stop when the loan goes through. Seedco Financial circles back to ask clients, ‘How are you doing? Did the financial product prove useful? What else can we do to help you?’”

“We don't hold people responsible for what they did or didn't do in the past. We hold them to what they can do in the future.”

Robin Barnes



Long-term sustainability is about expanding into new markets, capitalizing new product development, and helping entrepreneurs find new opportunities in the changed landscape.

>6

We create new services to meet needs. Seedco Financial recently held its first recruitment event to help Dooky Chase, one of New Orleans's oldest minority- and family-owned restaurants, fill 15 positions. More than 130 job applicants showed up. Given the large turnout and the number of restaurants that need this assistance, we will add job fairs to our menu of services.

>7

We help clients turn challenges into opportunities. Katrina changed everything for Gulf Coast businesses. Take Ba Mien, a Vietnamese restaurant operating in a building heavily damaged by the hurricane. The landlord didn't want to make improvements, so restaurant owner Mai Nguyen relocated to a building next door. With a Seedco Financial loan, Nguyen leased the new space and her business is moving forward.

Mai Nguyen



>8

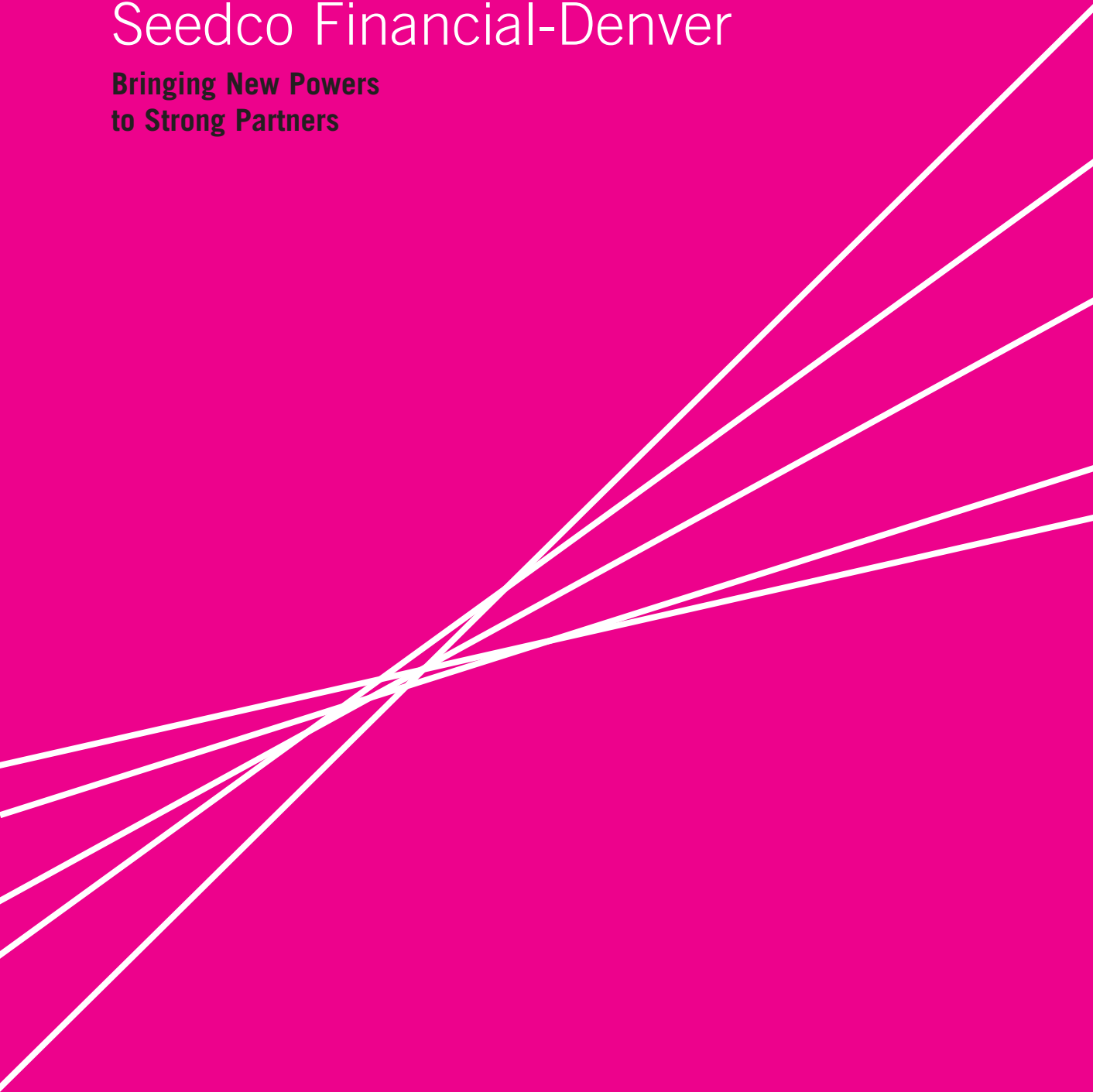
Despite the early challenges posed by political turmoil and slow funding streams, our Gulf Coast work is on a roll. Seedco Financial's reputation for getting results and building local capacity caught the attention this year of Baton Rouge Mayor Melvin "Kip" Holden and a Bankers' Roundtable in that city. They invited Seedco Financial to help revitalize Baton Rouge, and we have established a permanent office there.

Moving forward, we hope to reconnect our sectoral and neighborhood-based efforts by targeting resources to specific communities. We already have clusters of activity in two of the three neighborhoods we originally identified (St. Claude Avenue and Carrollton Avenue), plus a third where many Vietnamese residents live (New Orleans East), and these will become the focus of our activities.

And we will accelerate the transition from disaster recovery to long-term sustainability for the sectors and neighborhoods we reach. Economic development isn't just about getting boats into the water these days. It's about expanding into new markets, capitalizing new product development, and helping entrepreneurs find new opportunities in the changed landscape.

Seedco Financial-Denver

**Bringing New Powers
to Strong Partners**



In 2004, Denver officials commissioned Shorebank Advisory Services to assess the city’s market for economic **development and revitalization**. Shorebank, a national community development consulting firm, found significant gaps in infrastructure and resources for community development financing. Its study concluded that Denver needed more “entrepreneurial approaches” to expanding capital and creating new financial products.

City/county officials tried to create a new intermediary organization that could finance multiple community development needs, from affordable housing and small-business development to the revitalization of commercial corridors and economic engines. But each effort failed, and in 2006 they began to look for an existing intermediary. Seedco Financial was one of several considered for the role.

“When we visited small businesses in New York City, the most common feedback we heard is that Seedco Financial’s people are nimble, creative risk-takers who can ensure that our vision for neighborhood revitalization — which centers on investments in catalytic projects that make a difference in the community — will begin to take shape.”

Mayor John Hickenlooper

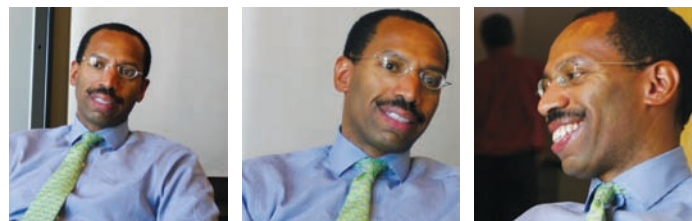
True to form, we began developing a strong strategy for Denver before even applying for the job. Teams of high-level staff, including Bill Grinker, visited the city several times to familiarize us with the political landscape, learn about perceived needs and risks, cultivate relationships with community groups, and identify and analyze potential deals. After the city narrowed its list of candidates to Seedco Financial and two other firms, we identified target

neighborhoods, talked to private developers about which projects they deemed most important, and began developing deals in the selected areas.

The advance work paid off in 2007. After eight months of rigorous review by community groups, nonprofit organizations, city government, and residents from the neighborhoods slated for revitalization, Seedco Financial was selected to create and operate a comprehensive Community Development Financial Institution (CDFI) in Denver. The city committed \$15 million in CDBG funds (over four years) for the effort. With combined resources from Seedco Financial and the city, Seedco Financial-Denver became the largest non-depository CDFI in Colorado.

With experienced leadership by Peter Chapman, Seedco Financial Vice President and Executive Director of the Denver office, whose background spans the

Peter Chapman





Jacky Morales-Ferrand



nonprofit and government sectors, Seedco Financial-Denver soon began to tackle the challenge of developing opportunities and infrastructure in economically neglected neighborhoods.

The place-based portion of our Denver work complements the city’s own neighborhood revitalization strategy, which recently shifted from a broad but piecemeal approach to a more targeted and deeper one. “In the past, we would do projects here and there across 17 neighborhoods,” explains Jacky Morales-Ferrand, formerly Denver’s Director of Housing and Neighborhood Development. “The projects had an impact on individual communities but weren’t a strong driver of neighborhood change. Now we’re trying to bring the full strength of our workforce, business, and housing partners to bear so the changes are catalytic.”

Seedco Financial is focusing on seven Denver neighborhoods that have high levels

of poverty, a severe lack of retail, commercial, or manufacturing bases, and limited access to capital to improve their situation: West Colfax, Villa Park, Sun Valley, Lincoln Park, Montbello, Clayton, and Five Points. Loans approved by our national board in mid-2007 include: a capitalization loan of \$500,000 to the Mile High Housing Fund to build the stock of affordable housing; \$691,000 in working capital for a charter school to open and operate a Montessori day care center; and \$1.6 million to provide support for the Inner City Health Center so they can move into a much-needed, new, and expanded facility.

Our sectoral approach in Denver is still a work in progress. We currently are considering three types of community development (rather than specific industries): transit projects, building on a \$4.7 billion regional effort to develop areas around light-rail stops; environmentally sustainable (“green”) building; and the use

The place-based portion of our Denver work complements the city’s own neighborhood revitalization strategy, which recently shifted from a broad but piecemeal approach to a more targeted and deeper one.

of cultural institutions and arts enterprises to trigger community revitalization.

What makes Seedco Financial a good vehicle for economic development in Denver?

>1

Our local board of advisors is high-powered, enthusiastic, well-connected, and active. Our 16 advisors (including two from Seedco Financial's national board) represent a healthy cross-section of professions, perspectives, ethnicities, and neighborhood connections. We have three people with experience directing community development entities; three senior bankers; two well-regarded real estate attorneys; the chief financial officer of a major local foundation; a respected local entrepreneur; the former chair of the Denver Ministerial Alliance; the founder and principal of a charter school whose students are largely low-income African Americans; and two government officials (who have ex officio roles on our board). More than half of these advisors either reside in or lead organizations from our target neighborhoods.

>2

We have strong organizational leadership and highly capable, committed partners.

Peter Chapman was Policy Director for Economic and Community Development for Denver before joining Seedco Financial. Mayor John Hickenlooper, who helped renovate and revitalize the historic downtown area before being elected, has acted enthusiastically to integrate our resources into the city. In January of this year, Veronica Barela, one of the nation's most effective community development leaders and the head of a Denver CDC, joined the national Seedco Financial Board. Paul Franke, a respected Denver lawyer, is an ex-officio member as Chairman of the Denver Advisory Board.

>3

City/county officials backed the work by earmarking a large portion of federal funds for the initiative, and the City Council approved the allocation. The Colorado Housing and Finance Authority donated space for our Denver office. The Mile High United Way is entering an agreement to infuse our community development with efforts to help low- and moderate-income residents build assets.

>4

Our large-scale, place-based approach complements traditional, issue-based interventions. No other entity has had the resources needed to help build or rebuild

“We need to redevelop the commercial and residential infrastructure of these neighborhoods, and that’s Seedco Financial’s sweet spot. But just putting up new homes isn’t enough.”

Paul Franke

“Our partnership with Seedco Financial is filled with powerful possibilities for fostering a creative, cultural city where companies want to locate and workers want to live.” **Mayor John Hickenlooper**

the bricks-and-mortar infrastructure of Denver neighborhoods at the scale achievable by Seedco Financial. Moreover, our experience with human service initiatives gives us the knowledge that infrastructure is only part of the answer. As Paul Franke, Board Chairman of both Seedco Financial-Denver and the Mile High United Way, observes:

“We need to redevelop the commercial and residential infrastructure of these neighborhoods, and that’s Seedco Financial’s sweet spot. But just putting up new homes isn’t enough. You have to provide services and supports that enable low- and moderate-income people to buy or rent them. Seedco Financial can insist that the development process also helps residents get jobs and learn how to budget, pay bills, and take on and sustain homeownership – things that the United Way and other agencies do well.”

>5

We can provide the comprehensive financial tools required to address diverse needs.

Colorado has some nontraditional lenders involved in community development, but they tend to specialize in one financial product (e.g., affordable housing loans) rather than the array needed to support mixed-use real estate development, commercial and residential redevelopment,

working capital for small business owners, technical assistance to developers, and so on. And Denver’s strong philanthropic base provides important grants and gifts but generally doesn’t invest in and finance community development.

Our goal now is to expand and refine our operations. Tasks include working with the local Advisory Board to develop a strategic plan; integrating parent company Seedco’s other asset-building strategies (such as *EarnBenefits*) into Seedco Financial-Denver’s work; broadening our pool of capital and pipeline of projects; forming creative alliances with other civic entities involved in community redevelopment; and exploring opportunities in other Colorado communities. The time is ripe for this work, Denver Mayor John Hickenlooper explains:

“Denver is at pivotal point in our growth and development.... Sustainability is not only about creating a strong economy that also protects the environment. True sustainability should ensure that economic opportunity flows into all neighborhoods. It requires that all neighborhoods be safe, have good schools, and offer access to a high quality of life. Our partnership with Seedco Financial is filled with powerful possibilities... for fostering a creative, cultural city where companies want to locate and workers want to live.”

Seedco Financial in 06>07

Financial Statement

Seedco Financial

Summary of Expenses and Income

	FY 2006	June 30, 2007
EXPENSES		
Personnel and Consultants	\$1,908,664	\$1,116,738
Direct Expenses	421,354	246,000
Seedco Management Services and Rent	721,932	510,000
Interest and Expenses	837,555	533,117
Reserved for LoanLosses	1,996,973	450,000
	5,886,478	2,855,855
INCOME		
Public and Private Grants	1,721,189	1,968,519
Interest and Fees on Financing	675,936	500,097
Interest and Fees on Investments or Unrealized Gains or Losses	506,724	405,000
Carry in Income	2,997,118	135,000
	5,900,967	3,008,616
Surplus	14,489	152,761

Seedco Financial and the Empowerment Reinvestment Fund (ERF)

Summary Balance Sheet

June 30, 2007

ASSETS

Cash and Equivalents	\$2,625,564
Investments	14,540,657
Grants and Other Receivables	1,225,479
Due from Seedco	8,730,566
Due from ERF	904,119
Notes and Loans Receivable	14,707,385
Other	23,171
	<hr/>
	42,756,941

LIABILITIES AND NET ASSETS

Accounts Payable	2,374,459
Contract and Loans Payable	24,800,000
	<hr/>
	27,174,459
Net Assets Unrestricted	1,559,339
Temporarily Restricted	14,023,143
	<hr/>
	15,582,482
TOTAL	42,756,941

Total Current Financing Activity by Site - 9/30/2007

Site	Deals	Amount
Alabama		
Loans	15	\$927,600
Grants	10	50,600
Denver		
Loans	4	2,581,000
Gulf Coast		
Loans	33	3,109,000
Grants	886	15,738,327
New York City		
Loans	77	8,199,354
QELP	202	1,506,170
GCELP	74	583,500
Tennessee		
Loans	2	2,035,000
Other		
Loans	1	1,500,000
NMTC	3	15,879,000
		<hr/>
		52,109,551

Board of Directors

William J. Grinker

Chair

President and CEO
Seedco Financial Services
New York, NY

Veronica Barela

President and CEO
NEWSED Community
Development Corporation
Denver, CO

Rita Carrillo

Former Executive Director
Neighborhood Housing
Services of Phoenix
Phoenix, AZ

Maurice L. Coleman

Senior Vice President/
New York
Market Manager
Bank of America
New York, NY

Allison S. Davis

Partner
The Davis Group LLC
Chicago, IL

Robert Espailat

President and Director
NYNB Bank
New York, NY

Paul R. Franke

*Ex-Officio, Non-Voting
Member*

*Chair of the Denver Policy
Advisory Board*

Attorney, Franke Greenhouse
List & Lippitt, LLC
Denver, CO

Doug Jackson

Senior Vice President /
Director of Community
Affairs
Regions Bank
Birmingham, AL

Jon Minikes

Real Estate Developer
Ithaca, NY

Clifford Rosenthal

Executive Director
National Federation of
Community Development
Credit Unions
New York, NY

Larry Sills

President
Standard Motor Products, Inc.
Long Island City, NY

Diane Baillargeon

Ex-Officio, Voting Member
President and CEO
Seedco
New York, NY

Dr. Carl H. Marbury

*Ex-Officio, Non-Voting
Member*

*Chair of the Alabama
Policy Board*

Former president of Alabama
A&M University
Director of the Alabama
Black History Project
Leeds, AL

Staff Directory

Grinker, William

President

Barnes, Robin

Senior Vice President
(Seedco Financial-Louisiana)

Brezenoff, Kenneth

Vice President

Chapman, Peter

Vice President
(Seedco Financial-Denver)

Cohen, Steven

Vice President

Holloway, Ivan

Vice President
(Seedco Financial-Alabama)

Hong, Edwin

Vice President

Seedco Financial Funders

Private Grants and Contracts

AIG
Anonymous
Bank of America
BRC
Capital One Bank
Carnegie Corporation of New York
Ceres Foundation
Deutsche Bank
Entergy Louisiana
Ford Foundation
Garment Industry Development Corporation
Home Depot Foundation
HSBC
MetLife
North Fork Foundation
Professional Convention Management Association
La Capitol Federal Credit Union
Liberty Bank and Trust Company
Neighbors Federal Credit Union
Omni Bank of Baton Rouge
Plaquemines and St. Bernard
Community Foundations, affiliates of the Greater New Orleans Foundation
Prudential Foundation
Regions Bank
Share Our Strength
The September 11th Fund
Wachovia
Whitney National Bank

Loans, PRIs, and Lines of Credit

Bank of America
Bank of Bartlett
Bank Hapoalim B.M.
Bank Leumi USA
Bank of Tokyo-Mitsubishi Trust Company
Calvert Social Investment Foundation
City National Bank of New Jersey

Episcopal Diocese of New York
Ford Foundation
HSBC Bank USA, Community Development
InSouth Bank
La Capitol Federal Credit Union
Liberty Bank and Trust Company
Mizuho Corporate Bank
The National Episcopal Church Center
Neighbors Federal Credit Union
North Fork Bank
Omni Bank of Baton Rouge
Regions Bank
Wachovia Bank
Ways to Work
Whitney National Bank

Government Grants and Contracts

City of Baton Rouge
City of Birmingham
City of Denver Office of Economic Development
Empire State Development Corporation
Federal Home Loan Bank of Atlanta
New York City Department of Small Business Services
New York City Economic Development Corporation
The State of Louisiana Department of Economic Development
U.S. Department of Housing and Urban Development
U.S. Department of Treasury – CDFI Fund
U.S. Small Business Administration

Other

United Methodist Pension Fund
U.S. Department of Treasury – CDFI Fund New Markets Tax Credits



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